

Opening Statement of the Honorable John Sullivan  
Subcommittee on Energy and Power  
Hearing on “The American Energy Initiative” – Day 7  
May 13, 2011

Today’s hearing is the seventh in our series on the American Energy Initiative. It is also the second hearing in which we will examine a discussion draft entitled the “Jobs and Energy Permitting Act of 2011”, which has been authored by our colleague Mr. Gardner of Colorado.

Our first hearing on the discussion draft enabled the committee to receive testimony from the entire Alaskan congressional delegation, citizens and state officials in Alaska, two Clean Air Act experts, and a University of Alaska economist. In that first hearing, we were unable to secure a witness from the U.S. Environmental Protection Agency. But today, we have Assistant Administrator Gina McCarthy from the Office of Air and Radiation as well as other state government officials with unique perspectives on the draft legislation. We are glad to host these witnesses and look forward to the discussion.

While our witness panel today is different from the one on April 13, the facts in Alaska remain the same as they were four weeks ago. Up to 27 billion barrels of oil and 122 trillion cubic feet of natural gas are estimated to reside in Alaska’s offshore fields. Beginning in 2005, the federal government initiated lease sales in an attempt to get this oil and natural gas to U.S. consumers. But instead, exploration companies have yet to drill a single hole in the Beaufort and Chukchi Seas after EPA’s regulatory roadblocks have delayed any activity for nearly five years.

This is an unprecedented process for drilling in America’s coastal waters. Many permits in the Gulf of Mexico are issued in a matter of weeks, and at most, a matter of months. No bureaucratic delays in the federal government concerning offshore drilling come anywhere close to the five years drilling companies have experienced with the EPA. Indeed, this process is slower than anywhere else in the world, and it is negatively impacting our energy security.

The seemingly endless jungle of red tape created by the Environmental Appeals Board would almost be funny if it weren’t so sad. With gasoline prices mounting another destructive attack on the American economy, unrest in the Middle East and North Africa reminding us how vulnerable the we are to supply shocks, and declining throughput in the Trans-Alaska Pipeline System (TAPS) posing a threat to pipeline safety and the Alaskan economy, one would think getting Arctic production online would be an imperative for the U.S. government.

On that last point, every one of the witnesses at our last hearing agreed the shutdown of TAPS would be disastrous for the State of Alaska and U.S. energy security. I simply do not see how we can prevent such an event from taking place if we do not open up new areas of production on the Alaskan North Slope.

The discussion draft circulated by Mr. Gardner is a common-sense modification to the Clean Air Act that will right the ship at EPA so new American sources of energy will come online in an environmentally-responsible manner. It will end the unnecessary bureaucratic quagmire and ensure communities on the Alaskan North Slope will be protected from air pollution associated with offshore drilling.